

# U.S. Department of Housing & Urban Development

## Facilities Management News

*Office of Public Housing  
Diana Armstrong, Director*



**U.S. Department of Housing and  
Urban Development  
Office of Public Housing  
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April 2003  
Volume 1, Issue 1

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### From the Division Director's Desk

Due to the myriad of important issues related to the Facilities Management branch, we have elected to publish a quarterly newsletter, in order to keep you abreast of HUD changes and requirements.

I would like to take this opportunity to introduce one of our newest members of our HUD Public Housing staff. Ruben Villanueva started his civil service career while in Germany and completed the US Army Family Housing Management Internship program in '97. Afterwards Ruben served in Italy and in Jan '00, landed at Fort Sam Houston, TX, as the Family Housing Manager. Ruben joined us in Oct '02. Ruben holds an MBA degree from Angelo State University and hails from Corpus Christi, TX.



Please contact Margaret Sanchez, Tomas Romero, or Ruben Villanueva, Public Housing Facilities Management Specialists for technical assistance at (210) 475-6800 extensions 2213, 2247, or 2108.

**David G. Pohler**

## Capital Fund Penalty for Failure to meet the FY 1999 and 2000 Obligation Deadline

last revised 03-21-2003

Section 9(j) of the U.S. Housing Act of 1937 requires that Capital Fund grants be obligated within 2 years and expended within 4 years from the date the funds were made available. It also permits PHAs to continue to obligate funds after the deadline, but imposes a penalty that reduces the PHA's Capital Fund grant for the next year by for each month the PHA was in noncompliance.

The HUD FY 2003 Appropriations Act, which was signed on February 21, 2003, provides new requirements with regard to funds not obligated by the deadline. Specifically, it **requires** FYs 1999, 2000, 2001, 2002 and 2003 funds that remain unobligated past the deadline, to be **recaptured**.

Headquarters reviewed the FY 1999 Capital Fund grants last year to determine those in non-compliance and required those funds to be recaptured. HUD has recently identified a number of grants that were missed during the review last year that will be subject to recapture this year. There are a number of PHAs with **FY 2000** grants that did not meet the obligation deadline and continued to obligate funds after the deadline. Since the HUD FY 2003 Appropriations Act requires HUD to recapture any unobligated amounts, **you must immediately cease obligating funds** for your FY 1999 or FY 2000 grants. Funds obligated after the deadline will be recaptured. HUD has already suspended these grants in LOCCS. Your local HUD Field Office will contact you in the near future to recapture funds not obligated by the deadline, or obligated after the deadline.

In addition, the U.S. Housing Act of 1937 does not authorize extensions of the expenditure deadline, unless the obligation deadline was extended by Headquarters. Consequently, if a PHA does not expend its entire grant by the 4-year deadline, the

unexpended funds must be recaptured. The deadline for expenditure of your FY 1998 and FY 1999 grants occurs on September 30, 2003. If you do not expend 100 percent of your grant by September 30, 2003, you **must immediately cease obligating funds** for those grants. LOCCS will put those grants on automatic review. Your local HUD Field Office will not authorize further disbursements but will contact you to recapture funds not expended by the deadline. Please note: The PHA is deemed to have met the obligation deadline when 90% of the funds are obligated. The PHA must then fully obligate the rest and fully expend by the expenditure deadline.

## Title 24 of the Code of Federal Regulations procurement guidelines

Are you familiar with the procurement requirements listed in the CFR? Not only are there many requirements, there are a number of rules to follow when dealing with a procurement issue.

Here are some applicable provisions that most often apply to our needs. CFR, Title 24, Part 85.36, Procurement. Section (d)(2) states:

*Procurement by sealed bids (formal advertising). Bids are publicly solicited and firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price...*

In the same above referenced section, (D) reads:

*A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder...*

The following section applies to your election to award the contract to someone other than the lowest bidder and it also covers the required Pre-Award Review to be accomplished by HUD. The following CFR provisions listed in section (g) (2) apply:

*Grantees and subgrantees must on request make available for awarding agency pre-award review procurement documents, such as requests for proposals or invitations for bids, independent cost estimates, etc. when:*

*(i) A grantee's or subgrantee's procurement procedures or operation fails to comply with the procurement standards in this section; or*

*(iv) The proposal award is more than the simplified acquisition threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement;*

Bottom line when dealing with a contract award, you must submit the contract bid to HUD for our Pre-Award Review and approval, whenever the lowest bid offer is not considered. When in doubt on how to handle a procurement issue, please call us.

## New PHA Assignments

Most recently, our Facilities Management team has grown to a total of three technical staff members and one Program Support Assistant. Our team now comprises of Margaret Sanchez, Tomas Romero, Ruben Villanueva, and Dianne Kiefel. Here are our newly assigned PHAs and our additional duties:

### Margaret J. Sanchez, (210) 475-6800, ext. 213

Other duties: PHAS Coordinator for PHAS program and PIC Facilities Building and Unit

TX064	TX313	TX008	TX335	TX309
TX019	TX062	TX201	TX323	TX193
TX081	TX065	TX256	TX367	TX263
TX029	TX343	TX073	TX163	TX350
TX176	TX109	TX051	TX397	TX556
TX177				

### Tomas M. Romero, (210) 475-6800, ext. 2247

Other duties: Demolition/ Disposition, Development, Environmental, and HOPE VI

TX451	TX259	TX452	TX239	TX300
TX105	TX016	TX376	TX202	TX096
TX377	TX297	TX510	TX302	TX147
TX381	TX448	TX211	TX074	TX164
TX175	TX006	TX025	TX087	TX303
TX243	TX191	TX031	TX312	TX564
TX411	TX446	TX447	TX902	TX454
TX507	TX421			

### Ruben Villanueva, (210)475-6800, ext 2108

Other duties: Corps of Engineers & Lead Base Paint

TX178	TX001	TX152	TX007	TX358
TX509	TX210	TX224	TX264	TX281
TX497	TX317	TX280	TX114	TX011
TX328	TX206	TX028	TX046	TX332
TX208	TX173	TX395	TX236	TX248
TX449	TX322	TX165	TX296	TX103
TX266	TX396	TX480	TX085	TX444
TX428	TX445	TX174		

### Dianne N. Kiefel, Program Support Assistant (210) 475-6800, ext. 2227

## How to better handle Exigent Health and Safety Hazard procedures...

PHAs need to submit a certification form from <http://www.hud.gov/offices/reac/pdf/ehswebsite.pdf>.

This is definitely a critical and time sensitive requirement, since you only have ten (10) days to submit the above from the time of the inspection. However, it starts with the 24-hour time frame in which you must mitigate the reported deficiency.

Some PHAs are providing incorrect statements in the "Corrective Action Taken" block. For example -- "remove air conditioner blocking window egress." Even with the required work order number entered, this does not certify the action was in fact completed. In the example above, a more appropriate corrective comment should read "removedu air conditioner..."

Please mark the completed certification form for "Attention of Dianne Kiefel" and fax the form to us at **(210) 472-6816**. Please do not include nor attach inspection reports, cover letters, or copies of work orders. Your only requirement is to submit the completed certification form. We ask that you please add the TX project number on the certification form. We certainly appreciate your time and effort in following the strict EH&S program guidelines.

### **A note from our new Labor Relations Specialist – Karen R. Clark**

HUD's Office of Labor Relations (OLR) provides policy advice and guidance to the Secretary and Program Assistant Secretaries on matters pertaining to organized labor particular the building and construction trades unions, labor statues and regulations, and related matters. The Labor Relations Office is responsible for HUD's overall compliance with the federal prevailing wage requirements applicable to HUD-assisted and insured housing, public housing and community development programs covered under the Davis-Bacon and related acts.

HUD is committed to ensuring that federal statutory labor standards applicable to HUD programs are consistently enforced and that the rights of workers are protected.

Karen R. Clark, the new San Antonio HUD Field Office Labor Relations Specialist is ready to meet with you and/or provide any guidance/technical assistance you may require. Please contact her at 210 475-6818 or karen\_r.\_clark@hud.gov.

### **Has your email address changed?**

Please ensure you provide us any changes to your email address. Also, please update the PIC Housing Authority module, with the information.

### **HUD Field Office to close during Battle of Flowers Parade**

Our field office will close for HUD business on April 25, 2003. This is due to the congestion associated with the Fiesta celebration.

### **Our new office address**

Effective March 10, we relocated from our old building into our new downtown building at the corner of Commerce Street and South St Mary's Street. Our new mailing address is:

***US Department of Housing & Urban Development,  
Office of Public Housing, 106 South St Mary's,  
One Alamo Center, Suite 405, San Antonio, TX  
78205-3625.***

There were no changes to our telephone numbers or email addresses. We value your comments, suggestions, and feedback. Please let us know what you would like to have us include. If you would like to share a process or procedure that is working for you, please let us know.

### **Upcoming July Newsletter Topics**

- ☐ **Public Housing Assessment System, PHAS**
- ☐ **Utility Allowances**
- ☐ **Capital Fund Close Out procedures**
- ☐ **Energy Audits**